

# **FISCAL NOTE**

## **SB 3226 - HB 3254**

February 25, 1998

**SUMMARY OF BILL:** Increases tort liability limits for government entities falling under the Governmental Tort Liability Act. Increases liability from \$130,000 to \$390,000 per person, and from \$350,000 to \$1,000,000 dollars per occurrence for bodily injury. Property damage liability limits are increased from \$50,000 to \$150,000.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase Local Govt. Expenditures - Exceeds \$5,000,000**

Cost estimate assumes a significant increase in insurance premiums for local governments or a significant increase in payments for local governments that are self funded.

Bill does not impact the state's claims program that is governed by limits set forth in TCA 9-8-307(3)(e).

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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